



General Assembly

January Session, 2009

Proposed Bill No. 447

LCO No. 779

Referred to Committee on Banks

Introduced by:
SEN. KISSEL, 7th Dist.

AN ACT CONCERNING LIMITATIONS ON ESCROW ACCOUNTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 That the general statutes be amended (1) to prohibit escrow
- 2 accounts when the mortgage balance on a home is less than half of the
- 3 current market value of such home; (2) to limit the amount a
- 4 mortgagor must maintain in escrow to no more than the amount
- 5 required to cover insurance and taxes for one month; and (3) to require
- 6 the payment of interest on escrow accounts at a prime interest rate.

Statement of Purpose:

To place certain limitations on escrow accounts.